

Draft

TESTIMONY OF PAUL LEVENTHAL
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before the
House Committee on International Relations
Subcommittee on the Middle East and Central Asia
on
“Iranian Proliferation: Implications for Terrorists,
Their State Sponsors and U.S. Countermeasures”
Thursday, June 24, 2004

Madam Chairwoman and members of the Subcommittee:

Thank you for your invitation to testify today on the deeply troubling implications of Iran going nuclear. I will concentrate my remarks on two aspects of this subject. First, I will address what impact an Iran with nuclear weapons would have on the international nuclear non-proliferation regime---and the prospects for utilizing the regime to prevent Iran from achieving that goal. Second, I will explore the concern that if Iran goes nuclear, Hezbollah goes nuclear (or any of the other terrorist organizations supported by the current conservative theocratic regime)---and the prospects for countering that threat.

Iran and the NPT Regime

Even if a nuclear capable Iran were not to provide its terrorist surrogates with nuclear weapons or the materials and know-how needed to build them, a nuclear-capable Iran under its present leadership would be an unparalleled earthquake with shockwaves that could rattle the foundation of U.S. vital interests in the region, at home and around the world, not the least of which is the survival of the nuclear non-proliferation regime itself. The first early-warning tremors of such a quake are now being felt.

As Under Secretary of State Bolton's excellent testimony makes clear, it is now apparent that Iran has been exploiting its standing as a non-nuclear weapon state under the terms of the Nuclear Non-Proliferation Treaty (NPT) to hide a nuclear weapons development program behind the civilian research and power programs permitted by the Treaty. In the absence of a "smoking gun," the Director General of the International Atomic Energy Agency (IAEA), although highly critical of Iran's multi-layered deceptions and lack of cooperation, is reluctant to declare Iran is developing nuclear weapons. But the heavy burden of proof that applies to the head of an international organization that operates by consensus does not apply to the United States whose vital interests and global commitments could be so adversely affected by an Iranian nuclear *fait accompli*.

We cannot wait for proof beyond a reasonable doubt of a bomb. We should be prepared to respond to the discoveries---so richly detailed in Under Secretary Bolton's searing indictment of Iran---the covert Iranian plants for the production of unsafeguarded highly enriched uranium and separated plutonium, the traces found of these materials, the

experiments with polonium (a neutron initiator used to trigger nuclear explosions), and the overall pattern of Iranian deceptions, omissions and belated admissions---as clear evidence of illicit activities that, unless halted, will lead inevitably to bomb-making. The problem is that the NPT, as written, and the IAEA, as presently constituted, have difficulty in coping with a nation whose activities may bring it to within a screwdriver's turn of having the bomb. There is a gray area that Iran is seeking to exploit between activities that are significant to developing the know-how and materials needed to make nuclear weapons, which do not violate the treaty, and the actual manufacture of nuclear weapons, which clearly does constitute a violation.

I will discuss how the Treaty's provisions apply to supplies to, or activities in, a non-weapons state that are ostensibly peaceful but raise concerns, as we now have in Iran, about proliferation risk, economic or technical justification, and safeguards effectiveness. But it is important first to highlight a basic dilemma that bedevils all civilian nuclear activities and the non-proliferation regime itself: the inextricable link between the peaceful and military atom.

All reactors now operating produce plutonium, an atom bomb material, as a byproduct of the fission process. As long as plutonium remains in the highly radioactive spent fuel of these reactors, it is inaccessible and in an unsuitable form for making weapons. Once separated from spent fuel in a reprocessing plant, however, it is in a pure form that can be applied either to the fueling of reactors or the building of bombs. A further problem is the widespread use of highly enriched uranium as fuel in research reactors. Unlike the low-enriched or natural uranium used in power reactors, which are unsuitable for use in bombs, highly enriched uranium is an atom bomb material.

A fundamental flaw of the non-proliferation regime, especially as it applies to the current situation in Iran, is that it permits, indeed promotes, the use of weapons-capable nuclear fuels---separated plutonium and highly enriched uranium---even though power and research reactors can be operated with low grades of uranium that are unsuitable for weapons. The major nuclear industrial states have been the principal culprits by making a business out of the production, use and export of these non-essential, dangerous and difficult-to-safeguard fuels. They have set an example of legitimate use of atom-bomb materials as civilian fuels that Iran and other proliferating states have exploited in their pursuit of nuclear weapons.

The attempts to deal effectively with Iran at the IAEA under the auspices of the NPT are complicated by the great importance Iran places on being treated equally and fairly on a "country neutral" basis that does not single out Iran on a discriminatory basis. Yet, the non-proliferation regime as it has evolved under the terms of the Treaty is inherently discriminatory: not just nuclear-weapon have & have-nots states, but also fissile-material have & have-not states.

If plutonium were abandoned as the diseconomical and dangerous fuel that it is, and its prohibition for civilian applications became an international norm, then denying Iran

reprocessing technology and use of plutonium would not be exceptional. Iran's pursuit of plutonium would be exceptional and an unambiguous signal of a weapons program.

In similar fashion, if uranium enrichment services were provided by existing suppliers on a guaranteed basis to nations that forswear reprocessing and plutonium use, nations that insisted on developing national enrichment capacity, as Iran is now doing, also would be violating an international norm and clearly signaling a weapons program.

If all excess military and civilian highly enriched uranium were being blended down to ensure an ample supply of low-enriched fuel for power and research reactors---and if all excess weapons and civilian plutonium were being disposed of in highly radioactive waste instead of being stockpiled for use as reactor fuel---then an international norm to prohibit production and use of weapons-capable fuels could be universally applied. Unfortunately, such a global exercise in making virtue of out necessity has not yet taken place, presumably because the necessity for ridding the world of all nuclear explosive fuels, in developed and developing countries alike, is not yet seen as urgent. Someday, perhaps soon, I fear the urgency will be clearly seen.

President Bush should be given credit for taking a step in the right direction in his non-proliferation policy address of February 11. But by calling for no new reprocessing or enrichment facilities in countries that do not now have them on commercial scale, he is seeking to stop their spread to the developing world without addressing the fuel-cycle excesses that exist in the major nuclear industrial states, especially with regard to reprocessing and plutonium use. Brent Scowcroft, national security advisor to the first President Bush, makes a similar misstep in an op-ed article in today's *Washington Post*, which I submit for the hearing record, when he proposes that we cannot be effective in trying to stop the enrichment program in Iran without also seeking to shut down one that is about to start up in Brazil. He is right as far as he goes, but he neglects to address, for example, the enormous reprocessing program that is about to start up in Japan to extract tens of tons of plutonium from spent fuel for use in fresh fuel, which I am sure has not escaped Iran's attention.

The United States and Russia should appeal to the Japanese not to start up this commercial-scale reprocessing plant and instead ensure its energy security with low-enriched uranium made from Russian blended-down highly enriched uranium drawn from Russia's large military surplus stocks of this material. An analysis done by the Nuclear Control Institute in 1993 projected Japan could acquire nearly a 40-year supply of low-enriched, civilian fuel for all power reactors operating and under construction at that time, and a more than 20-year supply for all reactors projected out to 2030. I submit for the record an article based on this proposal published in Princeton Journal, *Science and Global Security*.

(http://www.princeton.edu/~globsec/publications/pdf/5_1leventhal.pdf)

Recently, the Monterey Institute's Center for Non-Proliferation and the Managing the Atom Project have embraced such a plan for Japan, and I am hopeful that avoidance of a commercial scale reprocessing program in Japan may yet be possible.

Suffice it to say, if there were in place today a non-proliferation regime that prohibited use of plutonium and highly enriched uranium, Iran's nuclear activities would be clearly seen as being beyond a very low threshold for determining that a nuclear weapons program exists, and sanctions could be swiftly, universally and severely applied. Instead, in the absence of such a regime, we are now engaged in a very dangerous cat & mouse game with Iran that Iran apparently thinks it can win.

In the absence of an effective and transparent non-proliferation regime, we have no choice today but to apply the cumbersome and opaque regime that we have. Imperfect though it may be, it is by no means impotent, if the political will can be found to implement its provisions and make them stick. Perhaps the difficulty of the task before us will make reform of the regime a bit easier later on to prevent the emergence of future nuclear Irans. But such reform will likely prove impossible if Iran (or North Korea) is permitted to exploit the treaty's provisions to acquire nuclear weapons.

To Come:

Key provisions of the NPT applicable to Iran: Article IV supply assurances implemented "in conformity with" Articles I and II.

Submit for the record: Nuclear Control Institute legal analysis of the Treaty's Provisions: "The NPT and Plutonium: Application of NPT "Prohibitions to 'Civilian' Nuclear Equipment, Technology and Materials Associated with Reprocessing and Plutonium Use by Eldon V.C. Greenberg

<http://www.nci.org/03NCI/12/NPTandPlutonium.pdf>

Bring Iran safeguards violations to the Security Council.

Be prepared to deal with Iran as a Treaty violator outside the treaty---isolation may be the most effective approach. If we fail, we may have to face not only a nuclear Iran but a nuclear Hezbollah.

Nuclear Iran & Nuclear Terrorism

Iran actively supports and exports terrorism.

Submit for the record: "Commentary: Iran Behind Iraq Unrest?" by Alireza Jafarzadeh, president, Strategic Policy Consulting, Inc.

Hezbollah could become Iran's nuclear surrogate, with potentially catastrophic consequences for regional and global stability.

Capabilities are more important than intentions in assessing the threat of nuclear terrorism.

NCI analyses suggest terrorists could make first-generation nuclear weapons if they obtain plutonium or highly enriched uranium. In the case of state-supported terrorists, weapons themselves could be transferred, either by the state, or by individual scientists.